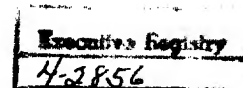


29 June 53  
JUN 9 1953



Memorandum for: The Director

Subject: Presidential Reorganization Plans on the Conduct  
of Foreign Affairs

1. Attention is called to the Message from the President of the United States Relative to the Conduct of Foreign Affairs which the President forwarded to the Congress on June 1 together with Reorganization Plan Nos. 7 and 8, copies of which are attached.

2. The President noted that he was taking the necessary steps

"to confirm the historic responsibility of the Department of State as the agency responsible under the President for development and control of foreign policy and all relations with foreign governments".

He stated further that

"it is equally important that each chief of diplomatic mission in each foreign country provide effective coordination of, and foreign policy direction with respect to, all United States activities in the country".

The President stated he was sending a letter to all Agency heads setting forth the arrangements which will govern relationships among executive branch officials in the conduct of United States international responsibilities.

3. The purpose of Reorganization Plan No. 7 is the realignment of our foreign assistance and related economic operations. It abolishes the present Mutual Security Agency and establishes a Foreign Operations Administration, headed by a Director. There are transferred to this new Agency the functions vested in the Mutual Security Agency and the Director for Mutual Security, including the Director's functions under the Mutual Defense Assistance Control Act and transfers to the Director of the Foreign Operations Administration the functions of the Director for Mutual Security as a member of the National Security Council. The Director shall be a member of the National Advisory Council on International Monetary and Financial Problems. The Institute of Inter-American affairs is also transferred to the new Administration.

4. By administrative action the President will transfer from the Secretary of State to the Director of the Foreign Operations Administration the responsibility for the administration of the Act for International Development; assistance to private foreign relief organizations; programs for aiding persons who have escaped from Communist areas; and operating functions with respect to United States participation in the United Nations technical assistance program, the United Nations International Children's Emergency Fund, the United Nations Korean Reconstruction Agency and the Intergovernmental Committee for European Migration as well as appropriate responsibility regarding the Palestine refugee program.

5. Reorganization Plan No. 7 provides for abolishing the offices of special representatives in Europe, and the President's message states that he is establishing a new United States Mission to the North Atlantic Treaty Organization and European regional organizations. The mission will include representatives of the Secretary of Defense, the Secretary of the Treasury and the Director of the Foreign Operations Administration, and its chief will report to and receive instructions from the Secretary of State.

6. In its initial stages the Director and Deputy Director for Mutual Security shall serve as the Director and Deputy Director of the Foreign Operations Administration. Under them, the two senior positions created by the Reorganization Plan shall be held by the Administrator for Technical Cooperation and a senior official under the Mutual Defense Assistance Act.

7. Under Reorganization Plan No. 8 there is established a United States Information Agency, headed by a Director. This Agency will include the activities of the International Information Administration of the Department of State; the information programs financed in connection with government in occupied areas; and the information programs of the Mutual Security Agency and the Technical Cooperation Administration. The Plan will not involve the transfer of the State Department's responsibilities for the Educational Exchange Programs.

8. Reorganization Plan No. 8 specifically provides that the Secretary of State

"shall direct the policy and control the content of a program, for use abroad, on official United States positions, including interpretations of current events, identified as official positions by an exclusive descriptive label. The Secretary of

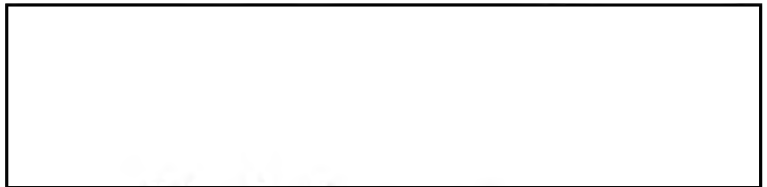
State shall continue to provide to the Director on a current basis full guidance concerning the foreign policy of the United States."

9. The President's message states that the United States Information Agency shall report to the President through the National Security Council or as the President may otherwise direct and that the President shall execute the powers of appointment so that the offices created in these two Plans

"are occupied only by men who support and enjoy the full confidence of the Secretary of State."

10. Unless disapproved by the Congress, these Plans become effective on 31 July.

STAT



Walter L. Pforzheimer  
Legislative Counsel

Attachments:  
H. Doc. 156, 157, 158

TRANSMITTAL SLIP		
(Date)		
TO: <i>Mr. Pforzheimer</i>		
BUILDING	ROOM NO.	
REMARKS:  <i>File</i>		
FROM:		
BUILDING	ROOM NO.	EXTENSION

FORM NO. 36-8  
SEP 1946

16-65208-1 GPO

MEMORANDUM TO: Director	Noted by DCI <i>29 June 53</i>
Are you interested in such "studies" as this by Mr. Pforzheimer?	
<i>LBK</i> <i>DCI says yes</i> <i>OK</i>	
<u>11 June 1953</u> (DATE)	

FORM NO. 10-101 OCT 1950 (47)